



ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA-R06-OAR-2021-0525; FRL-10583-01-Region 6]

Air Plan Approval; Texas; Oil and Natural Gas Reasonably Available Control Technology in the Dallas-Fort Worth and Houston-Galveston-Brazoria Ozone Nonattainment Areas

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: Pursuant to the Federal Clean Air Act (CAA or the Act), the Environmental Protection Agency (EPA) is proposing to approve the July 20, 2021 revisions to the Texas State Implementation Plan (SIP) concerning Reasonably Available Control Technology (RACT) requirements covered by the 2016 Oil and Natural Gas Control Techniques Guidelines (CTG or CTGs) for Dallas-Fort Worth (DFW) and the Houston-Galveston-Brazoria (HGB) nonattainment areas (NAAs) for the 2008 8-hour ozone National Air Quality Ambient Air Quality Standards (NAAQS). The DFW area consists of Collin, Dallas, Denton, Ellis, Johnson, Kaufman, Parker, Rockwall, Tarrant, and Wise Counties. The HGB area consists of Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, and Waller Counties. These areas were both classified as Serious nonattainment for the 2008 ozone NAAQS on August 23, 2019. These revisions create new RACT rules for oil and gas production and natural gas processing in the DFW and HGB NAAs and make non-substantive changes to reflect the rule applicability for the types of equipment currently required to comply with existing rule requirements but that would be subject to the new requirements upon the compliance date.

DATES: Written comments must be received on or before **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**.

ADDRESSES: Submit your comments, identified by Docket No. EPA-R06-OAR-2021-0525 at <https://www.regulations.gov> or via email to Ahuja.Anupa@epa.gov. Follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from Regulations.gov. The EPA may publish any comment received to its public docket. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Multimedia submissions (audio, video, etc.) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to make. The EPA will generally not consider comments or comment contents located outside of the primary submission (i.e. on the web, cloud, or other file sharing system). For additional submission methods, please contact Anupa Ahuja, ahuja.anupa@epa.gov. For the full EPA public comment policy, information about CBI, and general guidance on making effective comments, please visit <https://www.epa.gov/dockets/commenting-epa-dockets>.

Docket: The index to the docket for this action is available electronically at www.regulations.gov. While all documents in the docket are listed in the index, some information may not be publicly available due to docket file size restrictions or content (e.g., CBI).

FOR FURTHER INFORMATION CONTACT: Anupa Ahuja, EPA Region 6 Office, Infrastructure & Ozone Section, 214-665-2701, ahuja.anupa@epa.gov. Out of an abundance of caution for members of the public and our staff, the EPA Region 6 office may be closed to the public to reduce the risk of transmitting COVID-19. We encourage the public to submit comments via <https://www.regulations.gov>. Please call or e-mail the contact listed above if you need alternative access to material indexed but not provided in the docket.

SUPPLEMENTARY INFORMATION: Throughout this document wherever “we,” “us,” or “our” is used, we mean the EPA.

I. Background

Ground-level ozone, or smog, which harms human health and the environment, is formed when volatile organic compounds (VOCs) and nitrogen oxides (NO_x) interact in the presence of sunlight. Sections 182(b)(2) and (f) of the CAA require that SIPs for ozone nonattainment areas classified as Moderate or above include implementation of RACT for any source covered by a Control Techniques Guidelines (CTG) document issued by the EPA, and for any major source of VOC or NO_x located in the nonattainment area. It is worth noting that for some CTG categories, RACT is applicable to minor or area sources. The EPA has defined RACT as the lowest emissions limitation that a particular source is capable of meeting by the application of control technology that is reasonably available, considering technological and economic feasibility.¹ For a Moderate, Serious, or Severe ozone nonattainment area, a major stationary source is one that emits, or has the potential to emit, 100, 50, or 25 tons per year (tpy) or more of VOCs or NO_x, respectively. See CAA sections 182(b), 182(c), and 182(d). The EPA provides states with guidance concerning what types of controls could constitute RACT for a given source category through the issuance of CTG and Alternative Control Techniques (ACT) documents. See <https://www.epa.gov/ground-level-ozone-pollution/control-techniques-guidelines-and-alternative-control-techniques> (URL dated 8/31/2022) for a listing of EPA-issued CTGs and ACTs.

On March 27, 2008, the EPA revised the primary and secondary ozone.² On October 26, 2015, (80 FR 65292) EPA adopted another revision to the ozone standard,

¹ 44 FR 53761 (September 17, 1979).

² 73 FR 16436 (March 27, 2008).

but the 2008 standard remains in place. This document concerns the VOC RACT requirements under the 2008 ozone standard.

Promulgation of a revised NAAQS triggers a requirement for the EPA to designate areas as nonattainment, attainment, or unclassifiable, and to classify the NAAs at the time of designation. On May 21, 2012, the EPA established initial area designations for most areas of the country with respect to the 2008 primary and secondary 8-hour ozone NAAQS.³ The EPA published two rules addressing final implementation and air quality designations.⁴ The implementation rule established classifications and associated attainment deadlines, among other things. The designation rule finalized the NAA boundaries for areas that did not meet the standard. Furthermore, the finalized nonattainment areas were classified according to the severity of their ozone air quality problems as determined by each area's design value.⁵ The ozone classification categories were defined as Marginal, Moderate, Serious, Severe, or Extreme.

Effective July 20, 2012, the EPA designated as nonattainment, any area that was violating the 2008 8-hour ozone NAAQS based on the three most recent years (2008–2010) of air monitoring data. With that rulemaking, the DFW area was classified as Moderate nonattainment and HGB area was classified as Marginal nonattainment.⁶

The HGB area was subsequently reclassified as Moderate in 2016⁷ when the area failed to meet its attainment deadline. The DFW area failed to attain by its applicable attainment date, and the HGB area failed to meet the attainment deadline under the Moderate classification. Both NAAs were reclassified as Serious nonattainment for the

³ 77 FR 30160 (May 21, 2012).

⁴ 77 FR 30088 (May 21, 2012).

⁵ The air quality design value for the 8-hour ozone NAAQS is the three-year average of the annual fourth highest daily maximum 8-hour average ozone concentration. See 40 CFR part 50, appendix I.

⁶ 77 FR 30088 (May 21, 2012).

⁷ 81 FR 90207 (December 14, 2016).

2008 8-hour ozone NAAQS, effective September 23, 2019,⁸ with an attainment date of July 20, 2021.

Both the HGB and the DFW areas failed to attain the 2008 ozone NAAQS by their July 20, 2021 attainment date. As a result, both areas have been reclassified as Severe nonattainment for the 2008 8-hour ozone NAAQS.⁹ The Severe area attainment deadline for both areas is July 20, 2027.

On October 27, 2016, the EPA announced a final CTG document for reducing VOC emissions from existing oil and natural gas industry equipment and processes.¹⁰ As stated in that announcement, “[s]ection 182(b)(2)(A) of the CAA requires that for areas designated nonattainment for an ozone [NAAQS]. . .and classified as Moderate [or above], states must revise their SIP to include provisions to implement RACT for each category of VOC sources covered by a CTG document.” *Id.* The EPA provided a two-year period starting from October 27, 2016, for states to submit SIP revisions addressing RACT for VOC sources covered by the CTG (i.e., SIP submissions were due from affected states to the EPA by October 27, 2018). On March 9, 2018, for reasons explained in the Federal Register (83 FR 10478), the EPA proposed to withdraw the CTG. However, the EPA did not finalize the proposal to withdraw the CTG. The EPA announced in the U.S. Office of Management and Budget’s Spring 2020 Unified Agenda and Regulatory Plan that “the CTG will remain in place as published on October 27, 2016.”¹¹ Therefore, in response to the 2016 Control Techniques Guidelines for the Oil and Natural Gas Industry (2016 Oil and Gas CTG), RACT SIP revisions were due for EPA review and approval from states with nonattainment areas classified as Moderate or higher for the 2008 ozone NAAQS.

⁸ 84 FR 44238 (August 23, 2019).

⁹ 87 FR 60926 (October 7, 2022).

¹⁰ 81 FR 74798 (October 27, 2016).

¹¹ See <https://www.reginfo.gov/public/do/eAgendaViewRule?pubId=202004&RIN=2060-AT76> (last accessed October 13, 2022).

On January 22, 2020, the Center for Biological Diversity and the Center for Environmental Health filed a lawsuit alleging, among other claims, that EPA failed to take action concerning certain nonattainment areas (including the DFW and HGB NAAs in Texas) that did not submit RACT SIP revisions in response to the 2016 Oil and Gas CTG in a timely manner.¹² On November 16, 2020, the EPA issued a finding of failure to submit for nine NAAs including DFW and HGB.¹³

On June 20, 2021, Texas adopted revisions to 30 TAC Chapter 115 Subchapter B, Division 7 Rules to address EPA's 2016 Oil and Gas CTG for the DFW and HGB NAA. These revisions were submitted to the EPA on July 20, 2021. EPA determined on December 3, 2021, that Texas's submittal met the SIP completeness criteria in 40 CFR 51, Appendix V.

II. Evaluation

A. Comparison of CTG Requirements and Control Measures in the DFW and HGB Areas

The 2016 Oil and Gas CTG recommends available control approaches for addressing VOC emissions from certain sources within the oil and natural gas industry. Sources of VOC emissions addressed in the CTG include storage vessels, compressors, pneumatic controllers, pneumatic pumps, equipment leaks at natural gas processing plants, and fugitive emissions.

We have reviewed Texas's new and revised 30 TAC Chapter 115 rules for the sources covered by the 2016 Oil and Gas CTG in the DFW and HGB NAAs and the demonstration submitted by Texas. Based on this review, we propose to find that these rules are consistent with the CAA. Moreover, the TCEQ rules are consistent with the control measures, definitions, recordkeeping, and test methods in the CTG for the sources

¹² *Center for Biological Diversity, et al., v. Wheeler*, No. 3:20-cv-00448 (N.D. Cal.).

¹³ 85 FR 72963 (November 16, 2020).

in question. A detailed analysis is provided in the Technical Support Document (TSD) for this action and other supporting documents are available in the docket.

B. Additional 30 TAC Chapter 115 Rule changes

Changes to existing Chapter 115 rules for existing sources covered by the 2016 Oil and Gas CTG in the DFW and HGB NAAs were made to consolidate rule requirements into a new section. Based on our review, these changes are non-substantive and do not alter any existing rule requirement and we are proposing to approve the new codification of these requirements.

C. CAA Section 110(l) Analysis

CAA section 110(l) requires that a SIP revision submitted to EPA be adopted after reasonable notice and public hearing. Section 110(l) also requires that we not approve a SIP revision if the revision would interfere with any applicable requirement concerning attainment and reasonable further progress, or any other applicable requirement of the CAA.

As part of its submittal the TCEQ provided copies of the Public Notice published in the Texas Register and local newspapers. The TCEQ also held a public hearing virtually on the revisions to the SIP on February 23, 2021. A copy of the Public Notice and the submitted revisions are posted in the docket for this action.

The revisions in 30 TAC Chapter 115 include inspection, testing, and control efficiency requirements for those sources and equipment types in the DFW and HGB NAAs that are covered by the 2016 Oil and Gas CTG. The new requirements include new or revised inspection, testing, and control efficiency requirements for some equipment types already covered by existing 30 TAC Chapter 115 rules and also cover additional types of equipment that are not currently regulated under existing rules. As a result of implementing new requirements that will reduce emissions, these revisions to 30 TAC Chapter 115 rules, would not interfere with the attainment and reasonable further

progress of ozone pollution control requirements, or any other applicable requirement of the Act.

EPA also evaluated additional changes to certain existing 30 TAC Chapter 115 rules to consolidate existing rule requirements into a new section covering DFW and HGB NAA, for consistency. These rule changes are non-substantive and did not affect any inspection, monitoring, or control requirements. We do not expect these changes to interfere with attainment and reasonable further progress of ozone pollution control requirements, or any other applicable requirement of the Act.

The SIP submittal from Texas included records demonstrating that Texas adopted the new RACT rules after reasonable notice, a public hearing, and public comment. Thus, the CAA Section 110(l) requirements are met. Further, as shown in the TSD for this proposed action, our evaluation has determined the new rules in 30 TAC Chapter 115 to be consistent with RACT for purposes of satisfying the requirement triggered by the 2016 Oil and Gas CTG for those sources in the DFW and HGB NAA.

III. Proposed Action

We are proposing to approve the July 20, 2021 revisions to the Texas SIP concerning the DFW and HGB 2008 8-hour ozone NAAQS nonattainment areas as meeting the RACT requirements for an area designated as Serious for sources covered by the Oil and Gas CTG. The proposed approval is based on our review of 30 TAC Chapter 115 rules and revisions for consistency with Oil and Gas CTG.

IV. Incorporation by Reference

In this action, the EPA is proposing to include in a final rule regulatory text that includes incorporation by reference. In accordance with the requirements of 1 CFR 51.5, the EPA is proposing to incorporate by reference revisions to Texas's regulations as described in the Proposed Action section above. The EPA has made, and will continue to

make, these documents generally available electronically through www.regulations.gov and in hard copy at the EPA Region 6 office.

V. Environmental Justice Considerations

For informational purposes only, EPA is providing additional information regarding this proposed action and potentially impacted populations in the TSD. This proposed action is intended to ensure that all communities and populations in the DFW and HGB NAAs, including overburdened communities, receive the full human health and environmental protection provided by the CAA. By reducing VOC emissions from the oil and natural gas industry, we believe that this proposed action is anticipated to have a neutral to positive impact on air quality and is not anticipated to worsen air quality. Nothing in the record indicates that this action, if finalized, will have a disproportionately high or adverse human health or environmental effects on communities with environmental justice concerns.

VI. Statutory and Executive Order Reviews

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the Act and applicable Federal regulations. 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, the EPA's role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, this action merely proposes to approve state law as meeting Federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this action:

- Is not a "significant regulatory action" subject to review by the Office of Management and Budget under Executive Orders 12866 (58 FR 51735, October 4, 1993) and 13563 (76 FR 3821, January 21, 2011);
- Does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);

- Is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);
- Does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Public Law 104-4);
- Does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- Is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);
- Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);
- Is not subject to requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the CAA; and
- Does not provide EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally permissible methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

In addition, the SIP is not approved to apply on any Indian reservation land or in any other area where EPA or an Indian tribe has demonstrated that a tribe has jurisdiction. In those areas of Indian country, the proposed rule does not have tribal implications and will not impose substantial direct costs on tribal governments or preempt tribal law as specified by Executive Order 13175 (65 FR 67249, November 9, 2000).

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Nitrogen dioxide, Ozone, Reporting and recordkeeping requirements, Volatile organic compounds.

Authority: 42 U.S.C. 7401 *et seq.*

Dated: February 8, 2023.

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Regional Administrator, Region 6.

[FR Doc. 2023-03128 Filed: 2/16/2023 8:45 am; Publication Date: 2/17/2023]